

AIRPORT FACILITIES IMPROVEMENTS**AIRPORTS MASTER PLAN**

Most of the projects begun under the expanded Houston Airport System CIP that began in FY 1997 are now nearing completion. The CIP is projected to reach just over \$2.4 billion in the FY 2004-FY 2008 CIP. In review, the expanded CIP was prompted by (1) the decision by Continental Airlines in 1996 to begin a major expansion of hub operations at Bush Intercontinental Airport (IAH), (2) the decision by HAS in 1997, supported by Southwest Airlines, to expand and modernize terminal facilities at Hobby Airport (HOU), (3) a request by Continental Airlines in 1998 to undertake a series of airfield and apron improvement projects at IAH to increase capacity and improve the efficiency of the runway/taxiway/apron system (referred to as the "Airside Improvement Program"), and (4) increased international traffic creating the need for the international services expansion program (ISEP) to build new federal inspection services (FIS) building, international terminal, and associated infrastructure. With the completion of many of the expanded CIP projects annual CIP totals will begin to decrease until new capital projects identified in upcoming master plans are programmed. Master plans for HOU and Ellington Field (EFD) are scheduled for completion in the summer of 2003 and implementation projects stemming from those master plans will begin appearing in the FY 2005 – FY 2009 CIP. The comprehensive plan for IAH will begin in the summer of 2003 and be substantially completed by December 2004, with implementation projects stemming from that plan appearing in the FY 2006-2010 CIP.

Phase I

At IAH the expansion of Continental's hub operation necessitated additional gate space for Continental. The airline expanded from Terminal C and part of Terminal D into all of Terminal C and moved their Continental Express operation to Terminal B. This precipitated the need to move Terminal B carriers to Terminal A. Terminals A and B, both 30-year old facilities, required major renovation and expansion including construction of new north and south

concourses at Terminal A, demolition of the flight stations at Terminal A, and major renovations to supporting facilities. In addition, renovations at Terminal C were also initiated in Phase I. The north and south concourses of Terminal A are complete, the flight stations have been removed, most of the supporting facilities have been renovated, and Terminal C renovations are in process.

Other Phase 1 projects now complete includes the A/B Parking Garage, Economy Lot expansion, and various roadway improvements. Land acquisition for Runway 8L/26R was also started under Phase 1 and has two remaining properties to acquire to complete all necessary land for the new runway. The new Central Concourse at HOU rounds out the Phase 1 projects. Six gates are already available and in use and the remaining gates will be available next year.

Phase II

Phase II projects at IAH include a significant portion of the airside improvements and other airfield projects, the next phase of the Terminal C rehabilitation program, a consolidated rental car facility, additional cargo areas, and ISEP design. Work on the 15/33 runway complex is complete and the runways and associated taxiway system is operational. The consolidated rental car facility will open in Summer 2003. The cargo apron opened for use in October 2002 and now all three third-party cargo buildings are operational plus the addition of UPS to the cargo ramp. Work on Terminal C is progressing but may be hindered by other construction activity and recent downturn in profitability by the airlines. Finally, design of the Federal Inspection Station building (FIS), part of the ISEP, is complete.

Phase III

Phase III projects are proceeding in spite of the recent economic downturn in the airline industry. The cornerstone project, construction of Runway 8L/26R and all associated taxiways at IAH, is scheduled for completion in October 2003 with first use of the runway in November 2003. Also, construction of the FIS is underway and will be ready in 2005. Terminal E, Continental's new international terminal, will be complete in 2003 and will connect with to FIS when it is completed.

At HOU, Phase III projects include design and construction of the East Concourse and renovation of the existing terminal building. Due to a request from Southwest Airlines, an additional four gates will be added to the Central Concourse and constructed at the same time the East Concourse is constructed. The East Concourse is expected to be ready by 2009. The construction of a new parking garage, shown in last year's CIP, has been deferred until the completion of the master plan can better determine when a new garage will be needed.

FUNDING FOR THE AIRPORT FACILITIES CIP

The FY 2004- 2008 Airport Facilities CIP (primarily Phase III) is being funded from various sources including the Airport Improvement Fund (AIF, Fund #561), Airports Renewal and Replacement Fund (R&R, Fund #553), Grants-in-Aid from the FAA Airports Improvement Program (AIP) which includes a letter of Intent (LOI) for an additional \$100 million in discretionary funds over a 10-year period, General Airport System Revenue Bonds (GARBs), and \$300 million of Commercial Paper (CP) used for interim financing for appropriation purposes.

Timing and Estimated Amounts of Bonds

September 2003: Begin appropriating against the CP program again.

June 2004: May issue another series of bonds to refund outstanding CP appropriation balances. This depends on the receipt of AIP grants, LOI, and AIF balances.

2004 - 2008 CAPITAL IMPROVEMENT PLAN

CITY OF HOUSTON

SOURCE OF FUNDS SUMMARY (\$THOUSANDS)									
Source of Funds	Appropriations through Dec. 31, 2002	Estimated Appropriations Jan. 1 - June 30 2003	Fiscal Year Planned Appropriations					Total	Total
			2004	2005	2006	2007	2008	2004 - 2008	
Airports Improvement Fund	143,228	9,837	120,106	83,036	53,524	24,600	47,799	329,065	482,130
Revenue Bonds/Commercial Paper			176,170	117,779				293,949	293,949
CRC-SFRB	609							0	609
98 Revenue Bonds	459,567	6,304						0	465,871
2000 Revenue Bonds	422,763	14,463	3,000					3,000	440,226
FAA/AIP (Federal Funds)	90,603	2,500	20,400	18,400	17,500	17,250	17,000	90,550	183,653
Airport Rev Bond 2002 - 548/549	457,281	95,196	24,399					24,399	576,876
Airport Renl & Replacement Fund	17,403	1,030	3,825	1,601	1,250	750	750	8,176	26,609
Total	1,591,454	129,330	347,900	220,816	72,274	42,600	65,549	749,139	2,469,923

Aviation Department Facilities

FY2004 - 2008 CAPITAL IMPROVEMENT PLAN
(\$THOUSANDS)

CIP NO.	COUNCIL DISTRICT	PROJECT NAME	FY2004	FY2005	FY2006	FY2007	FY2008	TOTAL FY2004 - 2008
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Aviation Department Facilities

A-0008	B	CFR 54 AND 92 EXPANSION AND MODIFICATION - GBIAH	1,500 C					1,500C
A-0042	I	AIRSIDE FACILITY REPAIRS - HOU	2,154 DC	500 DC	500 DC	500 DC	500 DC	4,154DC
A-0058	B	AIRPORT DRAINAGE FACILITIES - GBIAH		500 D	5,000 C			5,500DC
A-0063	B	AIRSIDE FACILITY REPAIRS - GBIAH	4,100 DC	1,500 DC	1,500 DC	1,500 DC	1,500 DC	10,100DC
A-0082	B	LAND ACQUISITION, NE OF WILL CLAYTON - GBIAH	5,200 A					5,200A
A-0091	B	MODIFY/EXPAND CENTRAL PLANT - GBIAH	1,730 D	17,210 C	3,700 D			22,640DC
A-0131	BEI	ASBESTOS ABATEMENT SERVICES - DOA	1,554 C					1,554C
A-0138	BEI	TECHNICAL ENGINEERING SERVICES - DOA	6,400 DO	850 D	700 D	700 D		8,650DO
A-0141	I	TERMINAL AND FINISHES - HOU	111,269 CO					111,269CO
A-0153	E	AIRSIDE FACILITY REPAIRS - EFD	7,105 DC	500 DC	500 DC	500 DC	500 DC	9,105DC
A-0170	I	CLEAR ZONE ACQUISITIONS - HOU	2,000 A	2,300 A				4,300A
A-0203	B	INTERNATIONAL SERVICES EXPANSION PROGRAM - GBIAH	7,160 C					7,160C

LEGEND: A = ACQUISITION D = DESIGN C = CONSTRUCTION E = EQUIPMENT O = OTHER R = ART

Aviation Department Facilities

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(\$THOUSANDS)

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Aviation Department Facilities

A-0204	B	EAST MIDFIELD TAXIWAY - GBIAH				5,750 D	57,500 C	63,250DC
A-0221	B	EXPAND AIRPORT SERVICES COMPLEX - GBIAH	19,241 C					19,241C
A-0263	B	OVERLAY RUNWAY 8-26 - GBIAH	38,890 C					38,890C
A-0304	B	NORTH PARALLEL RUNWAY - GBIAH	3,342 C	0	0	0	0	3,342C
A-0310	I	REFURBISH PARKING GARAGE - HOU		651 C				651C
A-0322	B	REHABILITATE TERMINAL C - GBIAH	4,800 DC	41,500 DC	9,000 C			55,300DC
A-0348	BEI	MISCELLANEOUS CONSTRUCTION - DOA	3,000 C	3,000 C	3,000 C	3,000 C	3,000 C	15,000C
A-0352	B	CM SERVICES - GBIAH	2,000 C					2,000C
A-0354	B	PEOPLE MOVER EXTENSION - GBIAH	1,000 C					1,000C
A-0362	I	FLEET MAINTENANCE SHOP - HOU	3,979 C					3,979C
A-0368	BE	AVIATION PLANNING SERVICES - DOA	5,000 O					5,000O
A-0373	B	LANDSIDE ROADWAY REPAIRS - GBIAH	110 DC	110 DC	110 DC	110 DC	110 DC	550DC

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(\$THOUSANDS)

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Aviation Department Facilities

A-0383	I	ROADWAY SIGNAGE IMPROVEMENTS - HOU	650 D	6,665 C				7,315DC
A-0385	I	AIRFIELD PAVEMENT REPAIR - HOU		10,969 C				10,969C
A-0389	E	RUNWAY 17L-35R REHABILITATION - EFD				109 D	1,210 C	1,319DC
A-0391	BEI	TELECOM INFRASTRUCTURE UPGRADE - DOA		1,000 O				1,000O
A-0392	B	T/W "SD" BRIDGE - GBIAH	20,000 C		4,574 DO	21,231 CO		45,805DCO
A-0397	B	CONSTRUCT T/W "NC" - GBIAH	4,000 DC					4,000DC
A-0406	I	FAA BUILDING HVAC - HOU	125 C					125C
A-0407	I	ADD NEW ILS APPROACH TO RUNWAY 4 - HOU	400 D					400D
A-0411	I	REROOF ARFF STATION 81 - HOU	63 C					63C
A-0412	I	REPAIR/REPLACE PARKING GARAGE REINFORCEMENTS - HOU		4,000 C				4,000C
A-0421	B	SOUTHEAST QUADRANT LAND ACQUISITION - GBIAH	1,655 A	1,500 A	2,000 A	2,000 A		7,155A
A-0422	BEI	CIVIC ART FOR AVIATION - DOA	2,093 C	992 C	552 C			3,637C

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Aviation Department Facilities

A-0423	BEI	GENERAL ENVIRONMENTAL SERVICES - DOA	100 O	100 O	100 O	100 O		400O
A-0425	B	TERMINAL B TENANT SPACE ALTERATIONS - GBIAH	1,000 C					1,000C
A-0427	E	BUILDING REPAIRS - EFD	310 C					310C
A-0428	E	AIRFIELD ELECTRICAL WORK - EFD	700 D	6,000 C				6,700DC
A-0430	B	NEW HPD FACILITY - GBIAH			8,920 C			8,920C
A-0434	B	CONSTRUCTION ACCOUNTING SERVICES - GBIAH		600 O				600O
A-0435	B	TERMINAL A NEW GATES & TRANSFORMERS - GBIAH	1,000 C					1,000C
A-0437	B	INSTALL AUTOMATED VEHICLE IDENTIFICATION SYSTEMS - GBIAH		100 D	900 C			1,000DC
A-0438	I	OVERLAY RUNWAY 12R-30L - HOU			670 D	6,767 C		7,437DC
A-0439	I	REPLACE AIRPORT PERIMETER FENCE AND ACCESS CONTROLS - HOU	4,810 C					4,810C
A-0441	E	EXTEND CHALLENGER BOULEVARD - EFD				55 D	491 C	546DC
A-0451	B	RUNWAY 15L SURFACE CONDITIONING - GBIAH	1,590 D	14,310 C				15,900DC

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Aviation Department Facilities

A-0455	B	RELOCATE WATER PRODUCTION PLANT #2 - GBIAH	5,500 C					5,500C
A-0460	B	TERMINAL B AND D ROOF REPAIRS - GBIAH	50 D	450 C				500DC
A-0461	B	CONCRETE LINE SOUTH BANK OF GREENS ROAD DITCH - GBIAH	250 D	2,250 C				2,500DC
A-0463	B	CONSTRUCT CARGO F.I.S. FACILITY - GBIAH	5,855 C					5,855C
A-0470	E	MISCELLANEOUS PAVEMENT AND CIVIL WORK - EFD	5,450 C					5,450C
A-0473	E	BUILDING DEMOLITION - BLUE BUILDINGS 1050 AND 117 - EFD	1,945 DC	110 C				2,055DC
A-0475	BEI	WETLAND MITIGATION AND LAND ACQUISITION - DOA		596 C				596C
A-0476	B	NOISE MITIGATION PROGRAM - GBIAH	15,000 O	17,500 O	5,000 O			37,500O
A-0477	B	INTER-TERMINAL TRAIN (ITT) - GBIAH	5,400 D					5,400D
A-0478	B	WIDEN AND CONCRETE BOTTOM OF DITCH "N" - GBIAH		600 D	6,000 C			6,600DC
A-0479	B	FUEL CELL - GBIAH	2,900 DC					2,900DC
A-0481	B	ROADWAY SIGNAGE - GBIAH		400 D	4,000 C			4,400DC

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Aviation Department Facilities

A-0482	B	INTERIOR SIGNAGE - GBIAH	400 D	3,000 C				3,400DC
A-0483	B	TERMINAL D REMODELING - GBIAH		20,000 C				20,000C
A-0484	B	RELOCATE EXISTING VEHICLE SERVICE AT TAXIWAY SF - GBIAH				58 D	518 C	576DC
A-0486	B	SECURITY ENHANCEMENTS - GBIAH	15,253 O	10,000 O				25,253O
A-0487	B	TWO - LANE ROAD LEE ROAD, KENSWICK/VOLTA DRIVE - GBIAH	1,185 C					1,185C
A-0489	B	USPS NEW FACILITY SUPPORT - GBIAH	2,300 C					2,300C
A-0491	B	CONTINENTAL CARGO BUILDING - GBIAH			12,688 DC			12,688DC
A-0492	B	EMPLOYEE PARKING LOT - GBIAH	1,000 D	10,000 C				11,000DC
A-0493	E	TAXIWAY AND RAMP PAVEMENT - EFD	960 D	10,300 C				11,260DC
A-0494	BEI	BUILDING PROTECTION ENHANCEMENTS - DOA	110 D	1,100 C				1,210DC
A-0495	B	ALTERNATIVE POWER SUPPLY FOR CRITICAL SYSTEMS - DOA	122 D	1,220 C				1,342DC
A-0496	BEI	INDEPENDENT PEER REVIEW - DOA	750 O	750 O	750 O			2,250O

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Aviation Department Facilities

A-0497	BEI	ENTERPRISE RESOURCE MANAGEMENT APPLICATIONS - DOA	5,500 O					5,500O
A-0498	B	DESIGN/IMPLEMENT UPDATED FACILITY LAYOUTS - GBIAH	1,500 O					1,500O
A-0499	I	DESIGN/IMPLEMENT UPDATED FACILITY LAYOUTS - HOU	750 O					750O
A-0500	B	FIRE ALARM SYSTEM INTEGRATION - GBIAH	1,100 O					1,100O
A-0501	I	FIRE ALARM SYSTEM INTEGRATION - HOU	850 O					850O
A-0502	E	FIRE ALARM SYSTEM INTEGRATION - EFD	400 O					400O
A-0503	B	FUEL FARM STORAGE FACILITY IMPROVEMENTS - GBIAH	725 D	4,650 C				5,375DC
A-0504	I	LANDSIDE FACILITY REPAIRS - HOU	110 DC	110 DC	110 DC	110 DC	110 DC	550DC
A-0505	I	IMPROVE TRAFFIC MOVEMENT ALONG AIRPORT BOULEVARD - HOU	95 D	1,135 DC	1,890 C			3,120DC
A-0506	I	LOW PRESSURE BOILERS - HOU	500 D	5,000 C				5,500DC
A-0507	I	ADDITIONAL POWER FEED - HOU	1,000 D	8,000 C				9,000DC
A-0508	E	LANDSIDE FACILITY REPAIRS - EFD	110 DC	110 DC	110 DC	110 DC	110 DC	550DC

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Aviation Department Facilities

A-0509	B	LANDSIDE ROADWAY REPAIRS - GBIAH	600 D	6,678 C				7,278DC
A-0510	B	NEW GT STAGING AREA - GBIAH	200 D	2,000 C				2,200DC

TOTAL PLAN:

347,900	220,816	72,274	42,600	65,549	749,139
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